



Non-Academic Pension Plan

ANNUAL NEWSLETTER TO MEMBERSHIP

JULY 2024

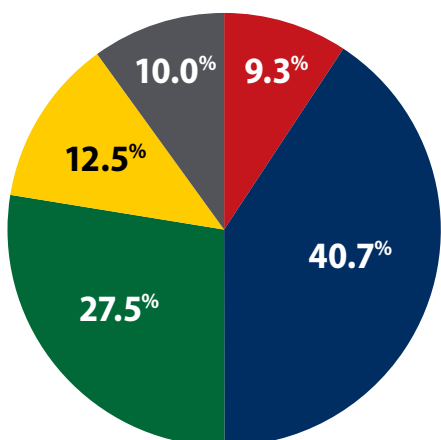


THE PRIMARY PURPOSE OF THIS NEWSLETTER IS:

- to review the actuarial valuation information and contribution requirements of the Non Academic Pension Plan as at December 31, 2023
- to review investments and investment performance of the Plan in 2023

Pension Plan Information at December 31, 2023

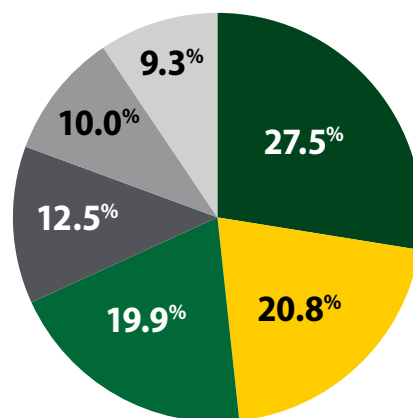
MARKET VALUE OF PENSION PLAN ASSETS



Asset Classes	2023
Canadian Equities	\$35,279,116
Global Equities	\$154,873,297
Total Equities	\$190,152,413
Bonds	\$104,936,187
Real Estate	\$47,431,063
Infrastructure	\$37,929,556
Total Fixed Income	\$190,296,806
Total Market Value	\$380,449,219

Distribution of Assets Among Investment Managers

Investment Manager	2023
Phillips, Hager & North Investment Management	\$104,936,187
Harding Loevner	\$79,101,185
TD Asset Management Epoch	\$75,772,112
TD Greystone Managed Investments	\$47,431,063
IFM Global Infrastructure	\$37,929,556
Connor, Clark & Lunn Financial	\$35,929,116



INVESTMENT PERFORMANCE

The long-term investment goal of the Plan is to achieve a minimum annualized rate of return of **6.60%**. To achieve this goal, the Plan has adopted an asset mix that has a bias in favour of equity investments.

The responsibility for investing the assets of the Plan has been delegated to six professional investment fund managers with different mandates to ensure adequate investment diversification.

The Plan's Return Benchmark is a performance standard developed by the Investment Consultant, Aon. The Board of Governors have approved the benchmark. The investment fund managers of the Plan are expected to meet or surpass the benchmark.

Investment Performance	2023	Last 4 years	Last 10 years
Plan Return*	10.6%	6.2%	7.5%
Plan return Benchmark	12.6%	6.2%	7.2%

*Gross of fees

Actuarial Valuation at December 31, 2023

MEMBERSHIP DATA

Active Members

Pensioners and Beneficiaries

Other Members
(deferred, pending transfers, transfer deficiency holdbacks)

Total Membership



+



+



=



876

1,140

213

2,229



GOING-CONCERN FINANCIAL POSITION OF THE PLAN

The financial position of the Plan on a going-concern basis is measured by comparing the actuarial value of assets to the actuarial liabilities assuming the Plan is continuing for the long-term.

The following table outlines the results of the actuarial valuation performed as at December 31, 2023. Comparative numbers as at December 31, 2022 are also provided.

Going-Concern Financial Position	2023	2022
Actuarial value of assets	\$379,559,000	\$369,877,100
Actuarial liability	\$375,640,500	\$366,632,400
Surplus (Deficit)	\$3,958,500	\$3,244,700
Funded Ratio	1.01	1.01

CONTRIBUTION AND FUNDING REQUIREMENTS

The plan last filed a valuation report with the regulators at December 31, 2023. The valuation report has revealed a going concern surplus of **\$3,958,500** and therefore no special payments are required.

HYPOTHETICAL WIND-UP (SOLVENCY) POSITION OF THE PLAN

The Pension Benefits Act (Saskatchewan) requires the University to review whether the assets of the Plan would be sufficient to cover the liabilities of the Plan in the event of a plan wind-up and is required for transfer deficiency hold back when plan members leave the university (see page 5). The following table outlines the wind-up position of the plan at December 31, 2023. Comparative numbers as at December 31, 2022 are also provided.

Hypothetical Wind-Up Financial Position	2023	2022
Actuarial value of assets	\$379,099,000	\$369,377,100
Actuarial liability	\$427,753,100	\$429,852,600
Surplus (Deficit)	\$(48,654,100)	\$(60,475,500)
Solvency ratio (assets/liabilities)	89%	86%

Non-Academic Pension Plan Information

PLAN DOCUMENTS

Copies of the following documents are on file in the Pension office. They are available for inspection by any member of the Plan during regular working hours by prior arrangements.

- Plan Text
- Financial Statements
- Actuarial Reports
- Auditor's Report

OTHER AGENTS OF THE PLAN

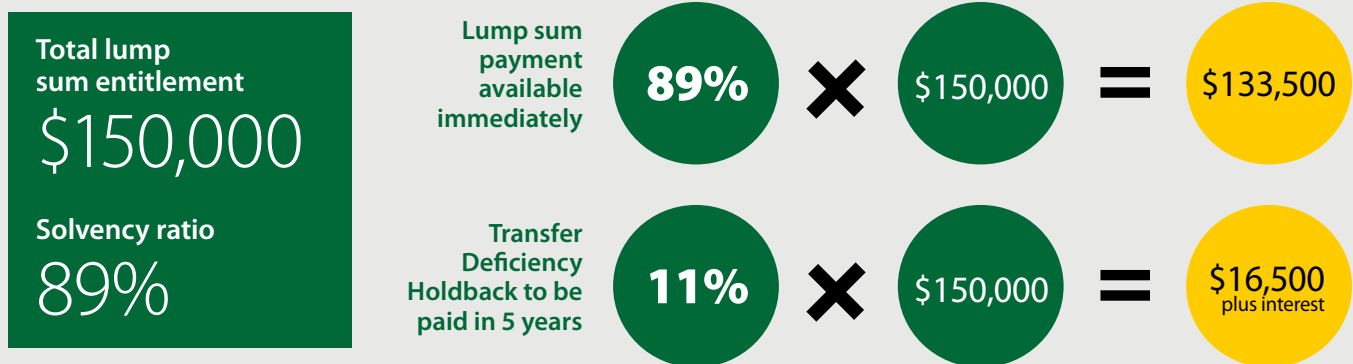
Actuary: Aon , Saskatoon
Investment Consultant: Aon , Calgary
Custodian: CIBC Mellon

TRANSFER DEFICIENCY REQUIREMENTS

As the Plan has a solvency ratio of **89%** (determined in the last filed valuation at December 31, 2023) it is necessary to withhold **11%** of any lump-sum payments. The amount withheld, referred to as the “transfer deficiency”, will be paid out with interest at the end of the five-year period following the date of original pay-out (or earlier in the event of plan surplus). This provision does not impact members retiring and commencing a pension from the Plan.

TRANSFER DEFICIENCY PAYOUT EXAMPLE

Applies to individuals who terminate employment and elect to transfer the lump sum value of their entitlement out of the Plan.



PENSION ADMINISTRATION AND SUPPORT

Pension Office, Administration
Room E140, Administration Building
105 Administration Place
Saskatoon, SK S7N 5A2

Tel: 306-966-6633

Email: pension@usask.ca

Web: wellness.usask.ca/benefits/pension.php



Please contact the Pension Office at pension@usask.ca if you have any questions about the items covered in this newsletter.